

# ARIZONA DEPARTMENT OF VETERANS' SERVICES

## INTERNAL MANAGEMENT POLICY 89-01

SUBJECT: EMPLOYEE ISSUED STATE PROPERTY

EFFECTIVE DATE: February 11, 2002 (Supercedes 89-01, 5/11/92, 6/10/96 and 3/15/99)

- 1.0 POLICY: It is the policy of the Arizona Department of Veterans' Services to define responsibilities for employees and management regarding the use and return of state-issued property.
- 2.0 AUTHORITY: A.R.S. §41-606, Duties and Powers of the Director and A.R.S. §23-352, Withholding of Wages.
- 3.0 RESPONSIBILITY: Employees, supervisors and issuing authorities are responsible for providing reasonable security for state-owned property in their custody; each may be required to pay a replacement cost if assigned property is missing. Supervisors and issuing authorities are responsible for documenting the issuance and return of property. The Assistant Director, Finance Division, serves as the agency's Property Control Officer and manages the Payroll Office.
- 4.0 DEFINITIONS:
  - 4.1 Issuing Authority – The person issuing state-owned property to employees. The issuing authority is responsible for providing reasonable security for state-owned property. The issuing authority records the issuance and return of state-owned property, providing a copy of all records to the Assistant Director, Finance Division, the Payroll Office, and the Information Technology Office.
  - 4.2 State Property – For the purposes of this policy, state property is defined as an item that is issued to an individual (such as keys, pagers, laptop computers and identification badges). Employees may use state property or equipment for official purposes only, unless given prior authorization from their supervisor.
- 5.0 PROCEDURES: The issuance and subsequent return of state-owned property is documented.
  - 5.1 The issuing authority will issue state-owned property to employees after the employee signs the Security/Property Checklist (ADVS 01-25R). The original form is completed and the issuing authority photocopies the form.
    - 5.1.1 The original is forwarded to the Payroll Office to be filed into the individual employee's payroll file.
    - 5.1.2 A copy is sent to the Assistant Director, Finance Division, to be filed in the asset inventory files.

- 5.2 Employees shall immediately notify their supervisors upon the loss or damage of state property and describe the circumstance of the loss in writing. Supervisors shall ensure that the issuing authority is notified.
  - 5.2.1 The issuing authority shall coordinate the preparation of a written report to the loss, providing information reported by the employee and include the inventory number(s) of the lost or damaged item(s).
  - 5.2.2 The issuing authority determines if the employee is responsible for reimbursing the agency for the value of the item(s).
  - 5.2.3 Employees will reimburse the agency for replacement costs as deemed appropriate by the Assistant Director, Finance Division.
  - 5.2.4 Employees will reimburse the Department of Veterans' Services for replacement costs as deemed appropriate.
  - 5.2.5 The replacement cost for the loss or damage of the employee's identification badge will be \$5.00.
- 5.3 Upon transfer to a new position or a transfer to a different division, supervisors shall have an employee complete the Security/Property Checklist (ADVS 01-25R) and return applicable property. The form will be distributed to designated individuals.
- 5.3 Upon termination, resignation or other separation of employment, an employee shall return all state property to the issuing authority. The Employee Exit Check List (ADVS 01-26) records the return of state-owned property.
  - 5.3.1 When the personal delivery of state-owned property is not practical, the Assistant Director, Finance Division, shall take the appropriate steps necessary to verify the availabilities, condition and safekeeping of the state property.
  - 5.3.2 The exiting employee's supervisor shall prepare an Employee Exit Check List (ADVS 01-26) and have the employee return property to the issuing authorities. The supervisor or designee is responsible for obtaining copies of all (ADVS 01-25R) to identify all issued property.
  - 5.3.3 The supervisor or designee will sign for the receipt of items that are being returned in good condition by the employee.
  - 5.3.4 The supervisor or designee will ensure that the employee returns other state property to other issuing authorities (i.e., Human Resources, IT, Finance Division) and obtains signatures for the receipt of issued items.
  - 5.3.5 The supervisor or designee is responsible for notifying the IT Manager via E-mail or telephone so that the employee is deleted from the network security access and E-mail.
  - 5.3.6 The supervisor ensures that the employee is provided with an opportunity to schedule an exit interview and provides final paycheck instructions.
  - 5.3.7 The supervisor is responsible for delivering the original paperwork to the Payroll Office and providing a copy of Employee Exit Check List (ADVS 01-26) to the Human Resources Office.
- 5.4 Upon receipt of the Employee Exit Check List (ADVS 01-26), Payroll

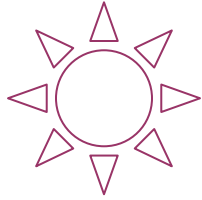
- processes the terminating employee's final pay warrant.
- 5.5 If state property is not returned, the Assistant Director, Finance Division, shall determine the replacement cost and prepares an itemized listing of the loss.
  - 5.6 Dismissal. When an employee is dismissed and state property is not returned, Payroll shall issue a warrant within seventy-two (72) hours for the net pay warrant, less the replacement cost deduction for items not returned by the employee. The employee may not be paid less than minimum wage.
  - 5.7 Resignation. Paychecks need not be issued within seventy-two (72) hours, but must have replacement costs deducted from the paycheck if the employee does not return property. The employee may not be paid less than minimum wage.
  - 5.8 Payroll provides the ex-employee the final pay warrant and includes an itemized listing of unreturned property and replacement costs. In the event the employee returns property within thirty (30) days, Payroll returns the replacement cost amount to the ex-employee.
  - 5.9 Supervisors may be responsible for holding state-owned property until an employee has been hired to fill the vacancy (such as keys to filing equipment or inexpensive items used by employees at the work unit). In this situation, the supervisor is considered the issuing authority and is responsible for the property.
  - 5.10 Supervisors are responsible for returning items to the issuing authority and documenting the transfer on the Employee Exit Check List (ADVS 01-26).
  - 5.11 Supervisors will be held personally responsible for property missing while under their custody unless they demonstrate that they have provided reasonable security for the state-owned property.

6.0 IMPLEMENTATION: This policy shall be implemented without change on the effective date.

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Patrick Chorpenning, Director

Attachments: Security/Property Checklist ADVS 01-25R  
Employee Exit Check List ADVS 01-26



This policy has been revised to establish a replacement cost of \$5.00 for the loss or intentional damage of employee identification badges. Revisions have been made to the Employee Exit Checklist and the Security/Property Checklist has replaced the Receipt of State Property Form. Other minor housekeeping changes were made.